

**REMARKS**

In reply to the Final Office Action dated October 19, 2004, Applicant proposes the following changes to claims 2, 6, 20-22, 33, and 34-46:

- amend independent claims 2 and 6 to recite "an offer price substantially equal to a delivery price", as recited in dependent claim 33;
- amend dependent claims 20-22 to provide antecedent basis for the terms "program" and "browser" and to place the features recited therein in method step format;
- amend claim 33 to place it into independent form by incorporating the limitations of independent claim 2 and intervening dependent claim 32 therein; and
- cancel claims 34-46, without prejudice or disclaimer of the subject matter recited therein.

Because these changes do not alter the scope of any of the originally filed and elected claims, this Proposed Amendment does not present any new issues that would either require further consideration or materially complicate the issues for purposes of Appeal. Accordingly, Applicant respectfully requests appropriate entry and consideration of this Amendment. Upon entry of this Amendment, claims 2, 6, 17, and 20-33 will remain currently pending.

**I. The Outstanding Rejection Under 35 U.S.C. § 112, Second Paragraph**

On page 5, ¶ 6, of the Final Office Action, the Examiner rejected claims 20-25 under 35 U.S.C. § 112, second paragraph, based on indefiniteness grounds. In response, Applicant proposes to amend claims 20-22 to obviate the Examiner's concerns without changing the literal or equivalent scope of these claims. Specifically, Applicant proposes to provide antecedent basis for the terms "program" and "browser" in dependent claim 20 and to place the features recited in dependent claims 20-22 in

method step format. Accordingly, each of the claims fully complies with the requirements of 35 U.S.C. § 112, second paragraph.

## **II. The Outstanding Grounds For Rejection Under 35 U.S.C. §§ 102 and 103**

As discussed on pages 4-6, ¶ 8, of the Final Office Action, the Examiner rejected claims 2, 6, and 17 under 35 U.S.C. § 102(e) as being anticipated by Odom et al. (U.S. Patent No. 6,058,379). Moreover, according to the rationale discussed on pages 6-8, ¶ 9, of the Final Office Action, the Examiner rejected claims 32-33 under 35 U.S.C. § 103(a) as being unpatentable over Odom et al. And, as set forth on page 8, ¶ 10, of the Final Office Action, the Examiner rejected claims 26-31 under 35 U.S.C. § 103(a) as being unpatentable over Odom et al. in view of newly cited Smith patent (U.S. Patent No. 6,502,076).

## **III. The Combinations of Patentable Features in the Independent Claims**

Each of the claims recites different combinations of features that distinguish the invention from the prior art. For example, independent claim 2 recites a combination that includes, among other things,

inputting a sale offer parameter for randomly generating at least one sale offer to purchase a product or service at an offer price substantially equal to a delivery price associated with the transaction,  
(amended claim 2, ll. 4-6). Independent claim 6 recites another combination that includes, among other things,

displaying, on the web site, a sale offer to purchase a product or service at an offer price substantially equal to a delivery price of the product or service to the at least one selected buyer at a random point in time unknown to the buyer,  
(amended claim 6, ll. 3-6). Finally, independent claim 33 recites a combination that includes, for example,

randomly displaying, through the electronic network system, the at least one sale offer to a selected buyer at an unexpected period of time;

\* \* \*

receiving, through the electronic network system, a first indication of acceptance from the buyer in response to the random display of the at least one sale offer;

displaying at least one term associated with the at least one randomly generated sale offer in response to the first indication of acceptance; [and]

\* \* \*

wherein the at least one term associated with the randomly generated sale offer comprises an offer price substantially equal to a delivery price associated with the sale offer transaction.

(amended claim 33, ll. 6-34). At the very least, Odom et al. and Smith, whether taken alone or in combination, fail to disclose or suggest any of these exemplary features recited in the independent claims.

#### **IV. The Prior Art Cannot Satisfy the Requirements of 35 U.S.C. §§ 102 & 103**

To establish anticipation under 35 U.S.C. § 102(e), the Examiner must show that each and every limitation recited in these claims is either explicitly disclosed or “necessarily present” in a single prior art reference, such as within the four corners of the Odom et al. patent. See MPEP § 2131 (7th ed. 1998); *In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999); *Continental Can Co. v. Monsanto Co.*, 948 F.2d 1264, 1269 (Fed. Cir. 1991). Moreover, to make out a *prima facie* case of obviousness, the Examiner must demonstrate (1) that Odom et al., as proposed to be modified by either the Examiner’s suggestions or the teachings of Smith, discloses or suggests each and every limitation recited in the claim, (2) that there is a reasonable probability of success in making such modifications, and (3) the existence of some suggestion or motivation, either in the teachings of the applied references themselves or in the knowledge generally available to one of ordinary skill in the art, to make such modifications so as to

result in the claimed invention. See MPEP § 2143 (7th ed. 1998). It bears emphasizing that each of these requirements must be found in the prior art — not based on Applicant's own disclosure. See *id.*

Viewed against this backdrop, each of the Examiner's factual conclusions must be supported by "substantial evidence" in the documentary record. See *In re Lee*, 61 U.S.P.Q.2d 1430, 1432 (Fed. Cir 2002). The Examiner has the burden of documenting all findings of fact necessary to support a conclusion of anticipation or obviousness. *Id.* To satisfy this burden, the Examiner must specifically identify where support is found within the prior art to meet the requirements of 35 U.S.C. §§ 102(e) and 103.

In this case, however, the Examiner cannot satisfy his burden of demonstrating how Odom et al., taken alone or in combination with Smith, can either anticipate or render obvious each and every one of the limitations present in independent claims 2, 6, and 33, as required by the MPEP and Federal Circuit jurisprudence.

#### A. The Odom et al. Patent (Alone or In Combination)

Odom et al. discloses a real-time network exchange that allows buyers to electronically bid on goods and services to achieve a competitive market value for purchasing the goods and services, while allowing the seller to interactively participate in the bidding process. See, e.g., Abstract. Odom et al., however, fails to provide any disclosure whatsoever of the following features of independent claims 2, 6, and 33:

- "inputting a sale offer parameter for randomly generating at least one sale offer to purchase a product or service at an offer price substantially equal to a delivery price associated with the transaction," as recited in independent claim 2;
- "displaying, on the web site, a sale offer to purchase a product or service at an offer price substantially equal to a delivery price of the product or

service to the at least one selected buyer at a random point in time unknown to the buyer," as recited in independent claim 6; and

- "displaying at least one term associated with the at least one randomly generated sale offer in response to the first indication of acceptance . . . wherein the at least one term associated with the randomly generated sale offer comprises an offer price substantially equal to a delivery price associated with the sale offer transaction," as recited in independent claim 33.

Instead, Odom et al. teaches away from the claimed invention by disclosing the use of a competitive bidding process between buyers for the purpose of achieving the highest possible market value for selling products or services. For instance, Odom et al. discloses that:

The potential purchaser may make a bid on an item that is currently being viewed and the information is processed in step 220. Once bid is selected, the client may be provided with the current highest bid for the item, and a window entering the required information for making a bid. In order to be accepted, the bid must meet certain criteria. For example, the bid must be higher than the current highest bid . . . In another embodiment of the invention, bids are not transmitted to the host if they are irrelevant. Irrelevant bids may be bids that are less than the current 'best' bid.

Col. 6, II. 21-48 (emphasis added). By contrast, independent claim 2 calls for "inputting a sale offer parameter for randomly generating at least one sale offer to purchase a product or service at an offer price substantially equal to a delivery price associated with the transaction." Similarly, independent claim 6 calls for "displaying, on the web site, a sale offer to purchase a product or service at an offer price substantially equal to a delivery price of the product or service to the at least one selected buyer at a random point in time unknown to the buyer." And independent claim 33 calls for displaying at least one term associated with the at least one randomly generated sale offer in response to the first indication of acceptance . . . wherein the at least one term associated with the randomly generated sale offer comprises an offer price substantially equal to a delivery price associated with the sale offer transaction.

These features are simply not disclosed or suggested anywhere within the Odom et al. patent disclosure, as required by 35 U.S.C. §§ 102 & 103. Accordingly, Odom et al. cannot anticipate or render obvious independent claims 2, 6, and 33.

**B. The Smith Patent (Alone or In Combination)**

Moreover, the newly cited Smith patent fails to remedy the deficiencies of Odom et al. The Examiner relies upon Smith solely to allegedly disclose the use of an algorithm for randomly displaying general advertisements. See Final Office Action dated Oct. 19, 2004 at 8, ¶ 10 (relying upon Smith as a secondary reference in rejecting independent claim 1). Thus, even if one were to modify the Odom et al. disclosure with this teaching of Smith, it would not overcome the shortcomings of Odom et al. discussed above.

**C. The Examiner's Continued Use of Official Notice**

Referring to page 7 of the Final Office Action, the Examiner appears to take Official Notice of a vast number of limitations recited in the claims. For example, with respect to the specific features recited in dependent claim 32 for displaying certain terms (such as an offer price substantially equal to a delivery price), acceptance forms, and payment methods in response to a first, a second, and a third indication of acceptance from a prospective buyer, the Examiner states that:

“Official notice is taken that these steps are old and well known in the art. These steps provide for smooth negotiations between the parties involved in the transaction.”

(Final Office Action at 7, ¶ 9). However, Official Notice cannot be applied to such a wide variety of features, which are neither notoriously old, nor well known to one of ordinary skill at the time of the invention. Indeed, one having ordinary skill in the art would not

even consider modifying Odom et al. in the manner imagined by the Examiner, as discussed above. The Examiner's rationale is not based solely on facts that are "capable of instant and unquestionable demonstration as being 'well-known' in the art." MPEP § 2144.03 (7th ed. 1998). According to the MPEP, when a rejection is based on facts within the Examiner's personal knowledge, the data used to support that rejection should at least be stated as specifically as possible. See *id.* Instead of doing so, the Examiner has here provided a classic example of an impermissible hindsight reconstruction of Applicant's own disclosure as a basis to reject the claims under 35 U.S.C. § 103(a). As a result, Applicant has, once again, been unfairly denied the opportunity to either address the true merits of the prior art or receive a Notice of Allowance without undue delay.

Accordingly, Applicant again challenges the Examiner's use of his own uncorroborated personal knowledge as a substitute for issuing a complete Office Action on the merits, and requests appropriate identification in the form of a competent prior art reference and corroboration of the Examiner's grounds for invoking Official Notice in the form of a non-final Office Action. In lieu of such a complete Office Action on the merits, Applicant respectfully requests that the Examiner withdraw the outstanding grounds for rejection and place this application in condition for allowance.

#### D. The Dependent Claims

For the foregoing reasons, Odom et al. and Smith fail to disclose or suggest each and every element recited in independent claims 2, 6, and 33. Moreover, claims 17 and 20-32, which each depend upon the independent claims, respectively, recite additional limitations that are neither disclosed nor suggested by any of the cited references, taken

either alone or in combination. Thus, dependent claims 17 and 20-32 are allowable for at least the same reasons discussed above with respect to independent claims 2, 6, and 33.

**V. Conclusion**

Applicant respectfully requests that this Amendment under 37 C.F.R. § 1.116 be entered by the Examiner, placing all pending claims 2, 6, 17, and 20-33 in condition for allowance. Applicant submits that the proposed amendments to claims 2, 6, 20-22, and 33 do not raise new issues or necessitate the undertaking of any additional search of the art by the Examiner, and further since the dependent claims are deemed allowable if rewritten in independent form. Therefore, this Proposed Amendment should allow for immediate action by the Examiner.

Applicant submits that the entry of this Proposed Amendment would place the application in better form for appeal, should the Examiner continue to dispute the patentability of the pending claims. Applicant, therefore, requests the entry of this Proposed Amendment, the Examiner's reconsideration of the application, and the timely allowance of the pending claims.

Additionally, the Examiner is invited to telephone the undersigned Applicant's representatives at (202) 408-6052 if it would be helpful to further expedite the prosecution of this application and, thereby, minimize time and expense.

If any extension of time under 37 C.F.R. § 1.136 is required to obtain entry of this response, and not requested by attachment, such extension is hereby requested. If there are any fees due under 37 C.F.R. § 1.16 or 1.17 that are not enclosed, including any fees required for an extension of time under 37 C.F.R. § 1.136, please charge those fees to our Deposit Account No. 06-0916.

Respectfully submitted,

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